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it the purchase of its shares
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be sought on the possible
available lists of names
seeking such facilities.

th February 1981.

losed at 9.35 p.m.

MINUTES AND REPORT

OF

MEETING OF COUNCIL

THE COOPERATIVE FEDERATION OF VICTORIA

held at 225 Swanston Street, Melbourne on Monday, 16th February 1981, commencing
at 7 p.m.

1. PRESENT

Mr. N. J. Black
Mr. A. Gill
Mr. E. J. Long
Mr. B. H. Macintosh
Mr. A. Plant
Mr. J. Rigby
Mr. M. Rundle
Mr. O. J. Slattery
Mr. W. W. Rawlinson

Chairman

Executive Officer

APOLOGIES

Messrs. A. Dash, P. Foster

2. WELCOME

The Chairman welcomed Mr. Tony Gill, representing Work Cooperatives, and
Mr. Alan Plant, representing Cooperative Insurance, to their first meeting
of the Council.

3. MINUTES

Minutes of the Meeting held 1st December 1980, having been circulated, were
adopted as a correct record of those proceedings.

4. CORRESPONDENCE

- 4.i From Central Victorian Association of Cooperatives - forwarding
Minutes and Report of Formation meeting held October 1980
setting out objects of the Association.
- 4.ii From Central Association of Cooperatives - querying the legality
in terms of the Trade Practices Act of tied insurance practices
by Cooperative Housing Societies.

Council was advised that in response to earlier action by the
Trade Practices Commission, a National based submission by
Housing Societies resulted in the Permanent Societies being
required to change their provisions relating to insurance whilst
the Cooperative Terminating Societies were granted exemption on
grounds that these societies must rely on income from insurance
commission as a contribution towards management fees.

However, Cooperatives being democratic organisations, the insurance company authorised to act on behalf of the society can be changed by the authority of members in general meeting.

Council directed

*The Central Association of Cooperatives
be so advised.*

4.iii

From Alan Moore - Solicitor, Security Permanent Building Society
- advising completion of lease for office premises and requesting payment of costs of \$67-00.

4.iv

From Broadford Cooperative Hotel - advising sale of premises, and termination of operations as a cooperative society.

4.v

From Cooperative Federation of Australia - re Council of Small Business Organisations of Australia meeting with Federal Treasurer.

Council directed

C.F.A. should be requested to include in matters for discussion that of increasing the amount of surplus that may be retained before incurring liability for taxation.

4.vi

To Mr. E. G. Pullen, A.M.
To Mr. J. J. Maguire, A.M.

- extending congratulations on awards announced in the Australia Day Honours List.

4.vii

December issue 'Cooperative Information'

- Executive Officer reported this had been widely circulated after being printed by the Brunswick Work Cooperative at a cost of \$100.

5.

APPLICATION FOR MEMBERSHIP

Applications were received from:

Emerald and District Cooperative - supported by Rules and relevant payment of fee but omitting Annual Report and Accounts.

Loch Ard Cooperative - supported by relevant application form, fee and Annual Report but omitting copy of the Rules.

North Eastern Cooperative Society - supported by all relevant documents.

The Council welcomed these applications and, subject to the omissions of the first two applicants being received by the Cooperative Federation, all three were admitted to membership of the Federation for the financial year ending 30th June 1981.

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FINANCIAL

A Statement of Income together with estimates to the meeting, disc

LEGISLATION

7.i

Societies

The Chairman: draft bill and Rawlin: made a com with that

Mr. Long re proposed ne for approv the list o Mr. Long st to the Regi legislation to have in

After gene

The Council

6. FINANCIAL

A Statement of Income and Expenditure from 1st July 1980 to 31st January 1981, together with estimated Balance Sheet as at 31st January 1981, was submitted to the meeting, discussed and received.

7. LEGISLATION

7.i Societies

The Chairman advised that Mr. Long had obtained one copy of a draft bill for proposed new Co-operation Act. Messrs. Long and Rawlinson had undertaken a detailed study of the draft and made a comparative table of proposals under the new legislation with that of the 1958 Act.

Mr. Long reported that, contrary to previous undertakings, the proposed new legislation will be submitted to Government parties for approval before further release to industry. In addition to the list of comparisons between the old and the proposed new Act, Mr. Long submitted a list of proposed comments that should be made to the Registrar to correct omissions from the proposed new legislation which it was considered the Federation should require to have included.

After general discussion the Council agreed:

that an urgent submission be made to the Minister administering the Co-operation Act:

- (i) noting a report that there could be further delay in the availability of the proposed new legislation for study by Cooperatives' industries,
- (ii) expressing the Federation's regret to the Minister, in view of his predecessor's past promises that copies of the proposed legislation would be made available for study and comment by the Cooperative Movement at the earliest opportunity, to enable such legislation to pass through the Parliament in the current calendar year.

Moved Mr. Long. Seconded Mr. Rundle. Carried.

The Council further agreed:

that the required amendments, outlined by Mr. Long as indicated by the noted shortcomings of the first draft of the new legislation, be submitted to the Registrar forthwith for urgent consideration and possible inclusion in subsequent printings of the draft legislation.

Moved Mr. Long. Seconded Mr. Macintosh. Carried.

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7.ii

Companies

Subsequent to agreement of the Attorney General to the Federation's request for inclusion in the existing ss 5(1), 17(7), 374(14) of the existing Companies Act in the new uniform Companies Act a proposal to enable Cooperative Companies to repurchase and hold up to 5% of their own shares has been made and supported by eight cooperative companies. After discussing the merits and demerits of this proposal, Council referred the matter to a select committee comprising Messrs. Slattery and Rawlinson for relevant action.

8.

FUTURE FUNDING

8.i

Fees Structure

A formal proposal has been submitted to the Cooperative Dairy Factories Association proposing block subscription for individual membership of 10 Cooperative dairies. It is understood the proposal will be examined by the Council of that Association at its meeting on the 24th February 1981.

The Herd Improvement Organisation have replied to a proposal for group membership and block subscription from 8 Herd Improvement Cooperatives and 9 Artificial Breeding Cooperatives. The proposal is for dues related to the total turnover of the two groups. Council considers this to be unacceptable and directed

discussions be re-opened with the Herd Improvement organisation for a more satisfactory outcome to be achieved.

8.ii

Address List Marketing

As directed by Minute 11.ii of the December 1980 Council Minutes, a study had been made of procedures for a possible income from the marketing of member address lists of cooperatives. An outline of the scheme was submitted to the Council and was discussed.

After full consideration the Council agreed

the proposal should not be pursued.

9.

CENTRALISED BANKING & INVESTMENT SERVICE

Mr. Slattery reported having met in committee with Messrs. Rawlinson and Colbourne to study in detail the proposed Centralised Banking Scheme and to form an opinion on the viability of such a proposal and to assess minimum target figures that should be achieved. It was agreed that a survey be undertaken of Cooperatives in Victoria to assess the potential of the operation.

Council directed

that action continue by the Committee which should report back after completion of the survey.

10. MEETING WITH MINISTERS

10.i

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Council noted the Federation of Housing, N

Council agree

Council agree

10.ii

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The meeting n invitation fo which should representativ
It was agreed

11. REPORTS

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Work Cooperat

Mr. Gill repo met with the concern at th relating to f State. The programme. general Govern Cooperatives) Chairman of tl for Employment

At a subsequen report from tl to the meeting would be made Employment Cor is being conve Work Cooperati

10. MEETING WITH MINISTERS

10.i Minister administering the Co-operation Act

Council noted the Minister's invitation for representation from the Federation to meet with the recently appointed new Minister of Housing, Mr. Jeff Kennett.

Council agreed

on matters which should be included in a Brief to the Minister by the deputation.

Council agreed

the deputation should comprise the

*President
Mr. Long
Executive Officer*

10.ii Minister for Agriculture

The meeting noted the recently appointed Minister for Agriculture's invitation for a deputation to meet him and agreed a list of topics which should be included in the Brief for discussion by Federation representatives.

It was agreed

the deputation would comprise the

*President
Mr. Slattery
Executive Officer*

11. REPORTS

11.i Work Cooperatives

Mr. Gill reported that a deputation representing Work Cooperatives met with the Premier, Mr. Hamer, on 23rd December 1980 to express concern at the unsatisfactory implementation of Government policies relating to formation and development of Work Cooperatives in this State. The deputation submitted proposals for a more effective programme. The Premier indicated the proposals were in line with general Government policy in this matter but suggested Work Cooperatives have a further meeting with the newly appointed Chairman of the Victorian Employment Committee, Mr. Dixon, Minister for Employment and Training.

At a subsequent meeting of the Work Cooperatives group, a formal report from the Government was received on action taken subsequent to the meeting with the Premier. This indicated no further funding would be made available until re-organisation of the Victorian Employment Committee under the new Ministry. A further deputation is being convened to meet with Mr. Dixon to present the case of the Work Cooperatives.

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General to the Federation's s 5(1), 17(7), 374(14) of uniform Companies Act a s to repurchase and hold up , and supported by eight ng the merits and demerits matter to a select committee son for relevant action.

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Mr. Gill also reported that the Work Cooperatives group are currently in the process of planning a State Conference for Work Cooperatives proposed to be held in Melbourne in May 1981.

11.ii

Advisory Council

Mr. Long reported he had attended a meeting of the Cooperative Advisory Council on Thursday, 12th February 1981. The business of the meeting had been mainly concerned with Cooperative guarantees and proposed new Cooperative legislation.

Informal discussions following the meeting, indicated Government intentions to relocate part of the Registry transferring it from the administration of the Department of Housing to the Department of Property and Services. It was indicated that these proposals are currently under consideration by the Premier.

Council directed

that an urgent submission be made to the Premier to express the concern of the Federation on the future of the Registry and to seek consultation by Government in the event of changes being contemplated which could affect the status of the Cooperative sector in Victoria.

In further discussion Council agreed

if changes are to be made to transfer the Cooperative Registry from the Department of Housing then consideration should be given by Government to locating it in the office of the Commissioner for Corporate Affairs as a specialist section to ensure its identity is maintained.

11.iii

Cooperative Federation of Australia

It is reported that the next meeting of Federal Council is scheduled to be held in Melbourne on 16th March 1981. Matters for inclusion on the Agenda of that Council meeting include consideration of funding for the Federation in the financial year commencing 1st July 1981.

The meeting directed

its representatives on the Federal Council to report the inability of the Cooperative Federation of Victoria under the present circumstances to further increase its contribution in the forthcoming financial year but, despite the strain on its resources of meeting the current level of subscription, this would be maintained for the forthcoming financial year.

11.iv

Executive Officer

Mr. Rawlinson reported having held discussions in Sydney with

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the Executive New South Wales and staff in operations and
Visits have been State in addition legislation.

12. OTHER BUSINESS

12.i

1981 Conference

Council directed for the week before of venue and for Council.

12.ii

Green Paper on

The Executive Office newly published Amongst the pressure for dealing with relate to Cooperative possibility of suggested the Cooperative possibility of Federation to be

13.

NEXT MEETING

Council agreed the next meeting at 225 Swanston Street, Melbourne

14.

CLOSURE

There being no further business

the Executive Officer and staff of the Cooperative Federation of New South Wales and with the Director, Youth Community Services and staff in that State on the subject of Work Cooperatives' operations and administration.

Visits have been made to Cooperatives in the north east of the State in addition to detailed studies of proposed new Cooperative legislation.

12. OTHER BUSINESS

12.i 1981 Conference

Council directed that the 1981 Conference should be organised for the week before 20th August 1981. A paper for consideration of venue and format should be presented at the next meeting of Council.

12.ii Green Paper on Housing

The Executive Officer reported having obtained a copy of the newly published Victorian Government's Green Paper on Housing. Amongst the preferred options outlining alternative possibilities for dealing with the housing situation in this State, several relate to Cooperative schemes. One is to investigate the possibility of a renovation cooperative in Melbourne. It is suggested the Cooperative Federation should investigate this possibility of developing a Work Cooperative associated with the Federation to be involved in this experiment.

13. NEXT MEETING

Council agreed the next meeting would be held on Monday, 16th March 1981 at 225 Swanston Street, commencing 7 p.m.

14. CLOSURE

There being no further business the meeting was closed at 10 p.m.

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